

NATIONAL DAIRY MARKET AT A GLANCE**CHICAGO MERCANTILE EXCHANGE (CME) CASH MARKETS (4/25):**

BUTTER: Grade AA closed at \$1.0900. The weekly average for Grade AA is \$1.0925 (-.0038).

CHEESE: Barrels closed at \$1.1000 and blocks at \$1.1250. The weekly average for barrels is \$1.0920 (+.0020) and blocks, \$1.1210 (+.0010).

NONFAT DRY MILK: Extra Grade closed at \$0.8400 and Grade A at \$0.8400. The weekly average for Extra Grade is \$0.8400 (N.C.) and Grade A, \$0.8400 (N.C.).

BUTTER: The cash price at the CME continues to fluctuate within a narrow range around \$1.0900. Churning schedules during the past week, which included the Easter holiday weekend, were active at most butter operations. Cream supplies were plentiful over the holiday weekend and early in the week, but became less available by mid-week. Current churning schedules continue to outpace demand thus surplus butter is clearing to inventories at many locations across the country. During the first quarter of 2003 (January – March), quota butter imports totaled 2.5 million pounds compared to 2.8 million pounds during the same three month period in 2002. During the same time period, high tier or above quota butter imports totaled 39,800 pounds compared to nearly 667,000 pounds for the same period last year. Butter demand is slow this week as many buyers assess their supply situation following the Easter/Passover holiday before re-entering the market. Many butter producers and handlers indicate that they do not foresee strong butter sales in the coming weeks with most orders probably being placed for short term needs.

CHEESE: The cheese market is steady. Current interest is mostly fair at best. Commercial process interest is starting to pick up for the grilling and summer travel seasons. Some process continues to be produced from inventory for eventual clearance to CCC. Cheese production remains seasonally heavy. CCC announced on April 22, the annual purchase invitations for between 20.5 and 65.0 million pounds of mozzarella and between 36.5 and 60.0 million pounds of process cheese for purchases July 2003 – June 2004 for schools and other users. Offers are due April 29 with public release of the awards on May 7 at 4:00 pm. Both invitations include the exchange of CCC-owned NDM as partial payment for the cheese. On April 24, CCC announced the annual invitation to purchase between 11.5 and 28.2 million pounds of natural American cheese. The invitation also includes the use of CCC-owned NDM as partial payment. Offers are due May 1 with public award release scheduled for 4:00 pm on May 9.

FLUID MILK: The holiday weekend provided minimal impact to surplus milk volumes. Those schools out on their spring break this week and those returning to class are factors in Class I sales in various areas this week. Any

extra fluid volumes available over the holiday weekend were handled with minimal problem. Manufacturing schedules remain heavy throughout the country. Milk production has peaked in the Deep South, approaching peak levels in the Middle Atlantic area, and mostly increasing elsewhere. A few plant operators were noting slight receipt declines in the Midwest though the majority are steady to higher. In California and the Pacific Northwest, rainy weather has caused pasture problems and may impact milk receipts in scattered areas. Drought related crop concerns may cause producers in Utah and Idaho to adjust rations to accommodate forage crop changes.

DRY PRODUCTS: The NDM and related animal feed markets were under additional pressure by offers to sell into commercial markets the donated older CCC-owned NDM for livestock feed in drought states. The offers could be used as a replacement for other animal feed powders. Current drying schedules remain heavy for all powders. The whey, buttermilk, and WPC markets are weak, supplies are heavy and spot interest lackluster. The NDM market is steady, though with sizeable clearances to CCC helping to balance large supplies with the light interest. The lactose market is steady to firm. Production and inventories are mostly in balance. The interest is best on the higher mesh sizes for the domestic and export edible markets.

CCC: For the week of April 21 - 25, CCC purchased 888,426 pounds of Western bulk butter. Cheese purchases also included 1,782,000 pounds of Central process; 188,245 pounds of blocks and 165,813 pounds of barrels from the West. Net NDM purchases totaled 21,019,414 pounds; 926,697 from the Central, 1,983,878 from the East, and 18,108,839 from the West.

COLD STORAGE (NASS): During March, U.S. cold storage holdings of butter totaled 242.1 million pounds, 2% more than a month ago and 67% higher than last March. Natural American cheese holdings total 535.0 million pounds, 1% less than a month ago, but 7% more than a year ago. Nonfat dry milk holdings at the end of February total 1,194 million pounds, 47 million pounds more than January, and 228 million pounds more than last February. The government holds 89.7% of the total nonfat holdings.

MAILBOX MILK PRICES FOR SELECTED REPORTING AREAS IN FEDERAL MILK ORDERS AND CALIFORNIA (AMS, CDF): For 2002, mailbox prices for selected reporting areas in Federal milk orders averaged \$11.91 per cwt., \$2.86 lower than the all-area average reported for 2001. On an individual reporting area basis, mailbox prices averaged lower in 2002 than in 2001 in all areas. Florida had the highest average price in 2002, \$15.22; Utah had the lowest average, \$10.68. During the year, mailbox prices decreased from January through June/July, then increased through October/November, and then decreased through the end of the year.

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**CHICAGO MERCANTILE EXCHANGE
CASH TRADING**

CHEESE: carload = 40,000-44,000 lbs., BUTTER: carlot = 40,000-43,000 lbs.

PRODUCT	MONDAY APRIL 21	TUESDAY APRIL 22	WEDNESDAY APRIL 23	THURSDAY APRIL 24	FRIDAY APRIL 25	WEEKLY CHANGE*	WEEKLY AVERAGE#
CHEESE							
BARRELS	\$1.0900 (N.C.)	\$1.0900 (N.C.)	\$1.0900 (N.C.)	\$1.0900 (N.C.)	\$1.1000 (+.0100)	+.0100	\$1.0920 (+.0020)
40# BLOCKS	\$1.1200 (N.C.)	\$1.1200 (N.C.)	\$1.1200 (N.C.)	\$1.1200 (N.C.)	\$1.1250 (+.0050)	+.0050	\$1.1210 (+.0010)
BUTTER							
GRADE AA	\$1.0975 (N.C.)	-----	\$1.0900 (-.0075)	-----	\$1.0900 (N.C.)	-.0075	\$1.0925 (-.0038)

*Sum of daily changes. # Weekly averages are simple averages of the daily closing prices for the calendar week. Computed by Dairy Market News for informational purposes. This data is available on the Internet at WWW.AMS.USDA.GOV/MARKETNEWS.HTM (NOTE: The NDM daily/weekly prices are reported here when changes occur. The Extra Grade price is \$.8400 and Grade A price is \$.8400. NDM information remains available at the above internet address.)

CHICAGO MERCANTILE EXCHANGE

MONDAY, APRIL 21, 2003

CHEESE -- SALES: 2 CARS 40# BLOCKS: 1 @ \$1.1175, 1 @ \$1.1200; BIDS UNFILLED: NONE; OFFERS UNCOVERED: 1 CAR 40# BLOCKS @ \$1.1200
 BUTTER -- SALES: NONE; BIDS UNFILLED: 4 CARS GRADE AA: 1 @ \$1.0925, 1 @ \$1.0900, 1 @ \$1.0875, 1 @ \$1.0850; OFFERS UNCOVERED: 1 CAR GRADE AA @ \$1.1075

TUESDAY, APRIL 22, 2003

CHEESE -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE

WEDNESDAY, APRIL 23, 2003

CHEESE -- SALES: NONE; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE
 BUTTER -- SALES: 10 CARS GRADE AA: 1 @ \$1.0900, 2 @ \$1.0875, 1 @ \$1.0900, 1 @ \$1.0875, 1 @ \$1.0900, 1 @ \$1.0875, 1 @ \$1.0850, 1 @ \$1.0925, 1 @ \$1.0900; BIDS UNFILLED: 6 CARS GRADE AA: 3 @ \$1.0850, 1 @ \$1.0825, 2 @ \$1.0800; OFFERS UNCOVERED: 2 CARS GRADE AA: 1 @ \$1.0950, 1 @ \$1.1250

THURSDAY, APRIL 24, 2003

CHEESE -- SALES: 4 CARS 40# BLOCKS: 1 @ \$1.1175, 1 @ \$1.1200, 1 @ \$1.1175, 1 @ \$1.1200; BIDS UNFILLED: NONE; OFFERS UNCOVERED: NONE

FRIDAY, APRIL 25, 2003

CHEESE -- SALES: 1 CAR 40# BLOCKS @ \$1.1200; BIDS UNFILLED: 1 CAR BARRELS @ \$1.1000; 1 CAR 40# BLOCKS @ \$1.1250; OFFERS UNCOVERED: NONE

BUTTER -- SALES: 6 CARS GRADE AA: 1 @ \$1.0850, 1 @ \$1.0900, 1 @ \$1.0850, 1 @ \$1.0900, 1 @ \$1.0825, 1 @ \$1.0900; BIDS UNFILLED: 6 CARS GRADE AA: 1 @ \$1.0850, 2 @ \$1.0825, 3 @ \$1.0800; OFFERS UNCOVERED: NONE

BUTTER MARKETS**MARCH COLD STORAGE**

According to NASS, March month-ending cold storage figures for butter total 242.1 million pounds, 66.8% more than March 2002 and 1.7% heavier than February 2003 holdings.

NORTHEAST

The butter market tone is generally steady. The CME cash butter price continues to adjust within a narrow range around \$1.0975. Eastern butter producers indicate that cream supplies were plentiful during the past holiday weekend and early in the week, but offerings tightened quickly by midweek. In most instances, butter producers were eager to absorb the additional offerings, knowing that soon, ice cream production would be increasing and limiting cream volumes for butter needs. Ice cream producers were very active in the market early in the week as ice cream production gears up seasonally. Stocks of butter continue to be reported as readily available for buyer needs. In most instances, orders early in the week were light as buyers assess their supply situation prior to placing new orders. Buyers often state that they will basically be placing orders for near term needs as long as prices remain in the area of current levels and inventories remain plentiful. Sales of bulk butter f.o.b. East, are reported in a range of flat market to 4 cents over the CME price/average.

CENTRAL

The cash butter price continues to hold basically steady. Slight fluctuations, within a narrow range, often occur by the end of each trading session. Churning schedules over the past week have been very active. Additional cream was made available to butter producers from local and out of areas sources during this holiday period.

Early in the week, butter producers were still working off holiday weekend cream volumes, but by mid-week, this cream volume had been worked through and most butter producers returned to pre-holiday levels. Ice cream producers were active in the market following the holiday, thus limiting additional volumes to butter producers. Many felt that this was the start of the ice cream season, but by mid-week, outside cream offerings were once again available to butter producers for later in the week. Butter stocks continue to run nearly 70% ahead of last year at this time. Overall butter demand is slow this week as buyers assess their supply situation following the holiday before re-ordering. Bulk butter for spot sale is in a range of flat to 2 cents per pound over various pricing basis.

WEST

Butter prices continue to hold steady with a possible weaker tone noted. Sales for Easter appear to have been good, but it will take a few days to assess stocks and see what the reorder rate needs to be. Butter production remains heavy with ample cream supplies available. Ice cream plants are beginning to take a little more cream. U.S. stocks of butter at the end of March total 242.1 million pounds, 97.0 million pounds more than last year at this time (+67%). Stocks were only up marginally from a month ago. Quota imports of butter for the first three months of the year total 2.3 million pounds, down about 18% from last year. Imports of high tier butter total little more than a truck load and are substantially below last year. Weekly clearances to CME warehouses totaled 4.37 million pounds, the most in six weeks. Stocks now stand at 169.4 million pounds. This level is almost 20 million pounds above the all-time high previously noted in 2002. Current prices for bulk butter range from 4 1/2 cents under to 2 cents under the market based on the CME with various time frames and averages (includes CCC sales when applicable).

NASS DAIRY PRODUCT PRICES**U.S. AVERAGES AND TOTAL POUNDS**

WEEK ENDING	CHEESE	38% MOISTURE		BUTTER		DRY WHEY	
	40# BLOCKS	BARRELS	NDM				
APRIL 19	1.1014 7,403,302	1.0905 9,530,117	0.8032 29,902,148	1.0677 3,518,763		0.1581 11,200,840	

Further data and revisions may be found on the internet at: <http://jan.mannlib.cornell.edu/reports/nassr/price/dairy>

CHEESE MARKETS

NORTHEAST

Wholesale cheese prices are unchanged. Demand is steady at best with retail orders generally lighter immediately following the holidays. Current offerings are at least adequate for needs. Eastern cheese production remains at seasonally moderate to heavy levels.

WHOLESALE SELLING PRICES: DELIVERED,
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Cheddar 10# Prints	:	1.1825-1.6775
Cheddar Single Daisies	:	1.1400-1.6050
Cheddar 40# Block	:	1.2575-1.5050
Process 5# Loaf	:	1.3000-1.5000
Process 5# Sliced	:	1.3200-1.5675
Muenster	:	1.3450-1.5500
Grade A Swiss Cuts 10 - 14#	:	2.3500-2.5500

MIDWEST

The cheese market is about steady. Natural interest is steady at fair at best levels. Commercial process interest is showing slow signs of seasonal improvement as the grilling season heats up. Processors continue to fill line time with lower priced (under \$1.09) barrel inventory for clearance to CCC under the price support program. Current cheese production is about steady with only limited volumes of holiday surplus milk available. Plant operators continue to try to balance milk intakes with orders to keep from accumulating inventory. Some spot interest is noted in a few made to order varieties but order lead times are steady. Current offerings are at least adequate, but generally in better balance than a month ago. CCC announced on April 22, the annual purchase invitations for between 20.5 and 65.0 million pounds of mozzarella and between 36.5 and 60.0 million pounds of process cheese for purchases July 2003 - June 2004 for schools and other users. Offers are due April 29 with public release of the awards on May 7 at 4:00 pm. Both invitations include the exchange of CCC-owned NDM as partial payment for the cheese.

WISCONSIN WHOLESALE SELLING PRICES: DELIVERED,
DOLLARS PER POUND (1000 - 5000 POUNDS MIXED LOTS)

Process American 5# Loaf	:	1.2700-1.4600
Brick And/Or Muenster 5#	:	1.4600-1.7800
Cheddar 40# Block	:	1.4400-2.1150
Monterey Jack 10#	:	1.7000-2.1150
Blue 5#	:	1.8725-2.1900
Mozzarella 5 - 6# (Low Moisture, Part Skim)	:	1.4250-2.2150
Grade A Swiss Cuts 6 - 9#	:	1.9500-2.6850

WEEKLY COLD STORAGE HOLDINGS-SELECTED STORAGE CENTERS
IN THOUSAND POUNDS - INCLUDING GOVERNMENT STOCKS

	BUTTER	:	CHEESE
	:	:	:
04/21/03	82,089	:	136,791
04/01/03	77,992	:	139,451
CHANGE	4,097	:	-2,660
% CHANGE	5	:	-2

WEST

Western cheese prices are holding steady. The CME cash prices have been holding in a narrow range since the first of the month. Milk supplies in the West are approaching the seasonal peak. Cheese production remains quite heavy through much of the region. Some buyers are finding that supplies of current blocks may be somewhat tighter. This is said even though almost 2 1/2 million pounds of block and barrel cheese cleared to the CCC price support program last week. Process cheese sales are reported as mostly fair. Barrels are clearing and more down graded cheese is leaving warehouses. U.S. stocks of American cheese at the end of March total 535.0 million pounds, up 7% (36.7 million pounds) from last year. Swiss stocks total 23.6 million pounds, up 84% (10.8 million pounds) from last year. High-tier imports of American type cheese for the first three months of the year total 7.9 million pounds, up 88% from last year.

WHOLESALE SELLING PRICES: DELIVERED, DOLLARS PER POUND
(1000 - 5000 POUNDS MIXED LOTS)

Process 5# Loaf	:	1.2400-1.5000
Cheddar 40# Block	:	1.2500-1.3900
Cheddar 10# Cuts	:	1.4300-1.6500
Monterey Jack 10#	:	1.4400-1.6000
Grade A Swiss Cuts 6 - 9#	:	2.2000-2.3700

FOREIGN

Prices are unchanged on both imported and domestic varieties. Current interest is generally light following the holidays. Total March quota cheese imports reached 11,185,126 kg, up 672,619 kg (6.4%) or 1,479,762 pounds from March 2002. Both cheddar and American type cheese imports during March were sharply higher than a year ago. For the first quarter, quota cheese imports totaled 26,808,457 kg, up 468,477 kg (1.8%) from a year earlier.

WHOLESALE SELLING PRICES: FOB DISTRIBUTORS DOCK
DOLLARS PER POUND (1000 - 5000 POUNDS, MIXED LOTS)

VARIETY	NEW YORK	
	IMPORTED	DOMESTIC
	:	:
Roquefort	: TFEWR	: -0-
Blue	: 2.6400-3.5500	: 1.4775-2.9675
Gorgonzola	: 3.6900-5.9400	: 1.9950-2.4900
Parmesan (Italy)	: TFEWR	: 2.8875-2.9775
Romano (Italy)	: 2.1000-3.1900	: -0-
Provolone (Italy)	: 3.4400-5.5000	: 1.4850-1.7125
Romano (Cows Milk)	: -0-	: 2.6750-4.8475
Sardo Romano (Argentina)	: 2.8500-3.2900	: -0-
Reggianito (Argentina)	: 2.6900-3.2900	: -0-
Jarlsberg-(Brand)	: 2.7500-3.7900	: -0-
Swiss Cuts Switzerland	: -0-	: 2.3500-2.5500
Swiss Cuts Finnish	: 2.5900-2.8500	: -0-
Swiss Cuts Austrian	: TFEWR	: -0-
Edam	:	:
2 Pound	: TFEWR	: -0-
4 Pound	: 2.1900-2.9900	: -0-
Gouda, Large	: TFEWR	: -0-
Gouda, Baby (\$/Dozen)	:	:
10 Ounce	: 27.8000-31.7000	: -0-

* = Price change.

FLUID MILK AND CREAM

E A S T

Spot shipments of Grade A milk into or out of Florida and other Southeastern states

	THIS WEEK		LAST WEEK		LAST YEAR	
	IN	OUT	IN	OUT	IN	OUT
FLORIDA	0	186	0	192	0	146
SOUTHEAST STATES	0	0	0	0	0	0

EDITOR'S NOTE: Due to recent changes in milk supply agreements, milk import/export totals are not directly comparable to year ago figures and to shipments prior to April 1, 2003.

During March, milk production in the 20 major states totaled 13.00 billion pounds, up 1.5% from March 2002. The following are the March-to-March changes for selected states: Texas +3.8%, New York unchanged, Pennsylvania -1.2%, Florida -1.8%, Vermont -2.1%, Virginia -6.9%, and Kentucky -9.8%. Milk production has reached its peak in the Deep South, while approaching the peak in the Middle Atlantic area. Farther north, milk output is increasing slowly. However, colder weather in New York and New England did retard some of the gains seen during the past few weeks. Milk volumes are burdensome and manufacturing plants are stepping up production schedules to accommodate all the surplus milk. Bottled milk sales are slow to fair. Some states' schools are on vacation this week. Also, a few cheese plants are reducing their output or down this week. This is pushing more surplus milk into other plants, which in turn, is creating more condensed skim and fluid cream to be moved. Contacts state that condensed skim supplies are plentiful and hard to clear. More producers are increasing drying time to clear all their solids. Demand for condensed skim is lackluster at best. The fluid cream market is mixed. Suppliers and traders report good movement over the weekend when users were preparing to start back up on Monday or Tuesday. However, supplies have increased and demand slowed significantly by mid-week. More reports indicate that late-week loads are looking for a home. Some suppliers did offer lower multiples over the weekend to avoid clearing to churns and many Class II users took advantage of these lower prices and bought in early. Ice cream and ice cream mix production is slow to improve as weather conditions have not been conducive to ice cream sales. Cream cheese output is steady to slightly heavier. Churning activity is heavy. Not only are local plants being burdened with cream offers, many loads of Eastern cream continue to move to Midwestern butter plants.

FLUID CREAM AND CONDENSED SKIM PRICES IN TANKLOT QUANTITIES

SPOT PRICES OF CLASS II CREAM, \$ PER LB BUTTERFAT

F.O.B. PRODUCING PLANTS: NORTHEAST	-	1.3484-1.4690
DELIVERED EQUIVALENT ATLANTA	-	1.3594-1.4800 M 1.3594-1.4252
F.O.B. PRODUCING PLANTS: UPPER MIDWEST	-	1.3704-1.4471

PRICES OF CONDENSED SKIM, \$ PER LB WET SOLIDS

F.O.B. PRODUCING PLANTS:		
NORTHEAST- CLASS II - INCLUDES MONTHLY FORMULA PRICES	-	.8500- .9800
NORTHEAST- CLASS III - SPOT PRICES	-	.7400- .8000

M I D W E S T

Class I sales are steady to occasionally slower after the holidays. While some schools were on break, many others only had a day or so, after taking their spring break earlier. Retail fluid sales are, as usual, irregular though often slower where there were big pre-holiday promotions. With most bottlers only off an extra day last weekend, surplus volumes were minimal. Manufacturing milk supplies remain seasonally ample. Despite a few small plant problems over the holiday weekend, available milk supplies were handled with little difficulty. Spot manufactured milk interest is irregular with various plants looking one week and not the next. Reported spot prices range from around flat class to \$1.25 over class with much in the \$0.75 - 1.00 area. Plant operators in the Wisconsin area are finding it cheaper and easier to buy a load or two of milk as needed rather than add extra patrons. Some plants and/or coops have previously announced that they are not adding new producers at this time. At least a few plant operators are noticing a slight dip in current milk receipts, attributed to the limited grass growth, fewer cows/producers, perhaps reduced Bst use, and/or bottom of the silo/barn stored feed. Ice cream demand for cream is steady to stronger as retail activity and dipping store orders improve. A handler mentioned that IMS milk producer disqualifications seem to be on the rise in recent months. Cumulative total U.S. federally inspected dairy cow slaughter through the week ending April 5, as sourced by NASS in 2003 totals 808,400 head, up 104,500 cows (14.8%) from the same

period in 2002. Planting has been active in Illinois and Iowa where dryer and warmer conditions have been prevalent on a seasonal basis. Corn planting has thus far been very limited in Wisconsin due to cold and wet soil. Small grain and/or alfalfa seeding has more been active in Wisconsin.

WISCONSIN LIVESTOCK AUCTIONS (PER CWT.)

	APRIL 17 - 23	PREVIOUS YEAR
SLAUGHTER COWS	\$ 39.50- 44.50	\$ 38.00- 44.00
REPLACEMENT HEIFER CALVES	\$250.00-350.00	\$540.00-670.00

SOUTH ST. PAUL TERMINAL AUCTION MARKET (PER CWT.)

	APRIL 17 - 23	PREVIOUS YEAR
SLAUGHTER COWS	\$ 41.00- 47.50	\$ 38.00- 46.00

W E S T

U.S. milk production for the first quarter of 2003 was up 1.3% from a year earlier. First quarter output for selected Western states compared to last year is as follows: Arizona +2.3%, California +4.3%, Colorado +6.0%, Idaho +7.5%, New Mexico +7.6%, Oregon +8.2%, Utah +1.5%, and Washington +1.8%. Cow numbers grew in all states except Utah and production per cow was up in all the selected states. March milk production in the 20 surveyed states totaled 13.0 billion pounds, 1.5% higher than March 2002. March 2003 output for selected Western states compared to last year is as follows: Arizona +0.3%, California +3.4%, Idaho +8.9%, New Mexico +7.8%, and Washington +1.9%. CALIFORNIA milk production levels remain strong at levels well above a year ago across the state. There continues to be wet conditions across the state, although the impact on milk output is limited. Bottled milk demand is often higher to fill in for school reorders as most schools and colleges resume. Retail orders were generally mixed with some increases in fill-in orders following the holidays. In southern California, rains of recent weeks caused few problems but seemed to level milk production for some producers instead of seeing normal growth. A plant problem sent milk moving to other processors for a day or so this week. In the Central Valley, milk production is increasing in spite of shower activity. Many dairies in the region have cover for the cows to limit the effects of weather. New crop hay and green chop are available locally and more is being fed. This is increasing milk production. In the North, milk production is growing. The rainy weather is affecting producers. They have to pull cows off of pastures because of the wet conditions. Production levels are above a year ago. Surplus milk continues to move to plants in this region for processing. ARIZONA milk output is fully steady with recent weeks and appears to be at or close to the seasonal peak. The interesting observation is that milk usually peaks when the hot weather hits the state and that has not happened yet. Processing plants in the state are running well and have extra capacity to help others out with surplus milk supplies. NEW MEXICO milk production levels are also holding mostly steady with recent weeks. There have been high winds in the state for a week that appear to be causing problems with milk cows producing. Temperatures have only been moderate, so there remains room for increased production. Milk is being handled within normal marketing channels. The Western CREAM market remains rather dull. Surplus loads were plentiful over the weekend but tend to balance out by midweek. Few reports of spot shipments beyond contracts are noted. Surplus loads are generally ending up in the churn. Ice cream demand is light with sporadic increases noted. Western cream multiples are unchanged in the range from 110 to 123, FOB, depending on class usage. Weather conditions along the coastal areas of OREGON and WASHINGTON have been wet and cool long enough to cause some problems for milk production. More importantly in the short run are the problems producers are experiencing with pasture conditions and early season grass/oat silage harvesting. Fields and pastures are too wet to drive on or have cows graze on them. The growth has been slow, but as conditions warm up, producers expect that the grass will become too mature too quick for efficient grazing or harvesting. Some of this moisture is reaching the eastern parts of the two states and it is very welcome there. Water for irrigation needs into the summer months is a real concern. Reports indicate that protein and fat levels are declining seasonally on the incoming milk receipts. Plants handled surplus milk supplies related to the recent holiday with few problems noted. Some welcome shower activity is noted over parts of UTAH and IDAHO. Some areas are reporting dry surface conditions. Some growers are deciding not to plant corn for silage because they don't believe that they will get enough water to take the crop to maturity. Most are switching to small grains or alfalfa. Heifer prices continue to move in a narrow range of \$1250-1350. Volumes throughout the markets are about steady. Milk output is continuing to grow at seasonal levels.

NDM, BUTTERMILK & WHOLE MILK

Prices represent carlot/trucklot quantities for domestic and export sales packaged in 25 kg. or 50 lb. bags, or totes, spray process, dollars per pound.

NONFAT DRY MILK - CENTRAL AND EAST

CENTRAL: Prices are unchanged on a steady market. Heavier volumes of NDM were produced over the holiday weekend with seasonal output resuming thereafter. Sales of condensed skim are improving into cheese and ice cream operations, alleviating some of the heavy flows into dryers. Most movement is contractual with very little spot activity reported. Sales to the CCC are noted from plants in the Central region. The recent CCC cheese/NDM exchange announcements are generating more conversation about the potential prices of NDM in the resale market. US donations of NDM for export and drought relief are also causing some concern with respect to export and domestic NDM and whey markets.

EAST: Eastern prices and the market tone are steady. However, there have been reports of increased offerings and slower spot demand from most sectors of the market. Early this week, there were reports of CCC-donated NDM earmarked for drought relief being offered in the market place for animal feed. Following these reported offerings, the program is on hold while "things" are straightened out. Apparently, the administration of this program changed from the first time USDA donated NDM for this use. Surplus milk volumes are increasing and demand for condensed skim remains slow. Consequently, dryers in all parts of the region are operating at or near capacity. Plants with more than one dryer have started their second one to keep pace with all the milk. Producer stocks are growing at those operations that do not offer to CCC. Those plants that are offering to CCC are in better shape supply-wise. Demand is steady over all, but spot interest is generally limited to immediate needs.

F.O.B. CENTRAL/EAST: Includes EXTRA GRADE and GRADE A
LOW/MEDIUMHEAT: .8000 - .8750 MOSTLY: .8000 - .8500
HIGHHEAT: .8600 - .9150

NONFAT DRY MILK - WEST

Western low/medium heat nonfat dry milk prices are holding mostly unchanged in light to moderate spot trading. Producers continue to use the price support program to keep NDM stocks manageable. Domestic sales remain light. Drying schedules are moving higher to process the seasonal increase in milk production. The latest USDA, FSA, 2003 Livestock Feed Program is creating concern among contacts. The Program allows livestock producers in drought states to use CCC-owned NDM to feed cattle, sheep, and buffalo. The concern is that this NDM has fewer restrictions than the prior program and currently is being offered back on commercial markets at prices that could disrupt all dairy protein markets to some degree. During the week of April 14 - 18, CCC net purchases totaled 16.2 million pounds of NDM from Western producers. Western high heat NDM prices are unchanged. The market tone is mostly steady. There are more indications of increasing demand with higher seasonal interest developing. Demand remains varied among producers. Stock levels are limited as producers try to schedule production to orders.

F.O.B. WEST: Includes EXTRA GRADE and GRADE A
LOW/MEDIUMHEAT: .7900 - .8875 MOSTLY: .7950 - .8100
HIGHHEAT: .8225 - .8400

CALIFORNIA MANUFACTURING PLANTS - NDM

WEEK ENDING	PRICE	TOTAL SALES	SALES TO CCC
April 18	\$.8025	14,065,436	7,383,573
April 11	\$.8016	15,787,905	9,399,361

Prices are weighted averages for Extra Grade and Grade A Nonfat Dry Milk, f.o.b. California manufacturing plants. Prices for both periods were influenced by effects of long-term contract sales. Total sales (pounds) include sales to CCC. Compiled by Dairy Marketing Branch, California Department of Food and Agriculture.

DRY BUTTERMILK - CENTRAL

Prices are nominal on a steady to weak market. Production is steady to lower as condensed buttermilk interest into ice cream operations remains good. Facilities that move condensed buttermilk to end users are in good balance with some operations seeking additional loads to supplant contractual interest. Inventories continue to be burdensome at some locations, encouraging producers to trade at the lower end of the range. Spot interest in dry buttermilk is generally lackluster. For Report 17 in 2002, buttermilk prices were .8000 - .9000.

F.O.B. CENTRAL: .6500 - .7300

DRY BUTTERMILK - NORTHEAST AND SOUTHEAST

Prices are steady to lower and the market tone is little changed. Eastern prices remain nominal. Contacts continue to be surprised by the lack of market activity. Producers are clearing some of their output via contracts, but the spot demand is lackluster at best. Many expected that the warmer weather would bring an increased demand from ice cream producers, but it appears that ice cream makers have found alternatives to buttermilk in their formulas. This concerns many producers now that we are coming into the season of heavy production. Plant stocks are growing. Off grade powder is also clearing at slower than desired levels.

F.O.B. NORTHEAST: .7000 - .7175
DELVD SOUTHEAST: .7000 - .7550

DRY BUTTERMILK - WEST

The low end of the range moved lower in limited trading in the West. The market remains untested and the lack of trading is the main reason. Many producers in the region have slow spot sales. They are not aggressively offering product at lower prices. Production remains high seasonally to process available solids. The stock levels at plants are in excess of current needs and often building.

F.O.B. WEST: .6800 - .7400 MOSTLY: .7000 - .7200

DRY WHOLE MILK - NATIONAL

Prices are steady to higher and the market tone is steady. Production levels are often lighter as plants have growing volumes of skim milk to dry and little time to make dry whole milk. Plant stocks are closely balanced for the slow to occasionally fair spot demand.

F.O.B. PRODUCING PLANT: 1.0300 - 1.1600

DEIP BID ACCEPTANCE SUMMARY

JULY 1, 2002 THROUGH APRIL 18, 2003
WITH CHANGES FROM PREVIOUS REPORT

NONFAT DRY MILK — 68,201 MT (150,355,592 LBS)
Program's NDM allocation is filled.

CHEESE — 3,029 MT (6,677,733 LBS)

BUTTERFAT — 5,000 MT (11,023,000 LBS)

Allocations for the DEIP year beginning July 1, as announced September 13: Nonfat dry milk — 68,201 MT; Cheese — 3,030 MT; Butterfat — 21,097 MT. This program-year's allocations have been announced in stages. The third stage was announced on February 25, 2003, and makes available 25,575 MT of NDM, 1,136 MT of cheese, and 5,000 MT of butterfat. This announcement fills the NDM and cheese allocations for this DEIP-year.

WHEY, CASEIN & EVAPORATED MILK

Prices represent carlot/trucklot quantities for domestic and export sales packaged in 25 kg. or 50 lb. bags, or totes, spray process, dollars per pound.

DRY WHEY - CENTRAL

Prices are lower on a weak market. Production remains strong at most locations and inventories are building. Plants that have most of their supplies well contracted for the year are in the best position. Spot interest is very light from domestic and export markets. Some contractual movement is being displaced by drought relief NDM. Some contractual buyers are also deferring shipments when possible due to decreased demand for milk replacer products. Producers are encouraging buyers to make a bid on multiple loads. Western traders would be more interested in Central region product if the prices were competitive. For Report 17 in 2002, mostly prices were .1775 - .1825.

F.O.B. CENTRAL: .1450 - .1625 MOSTLY: .1475 - .1525

DRY WHEY - NORTHEAST AND SOUTHEAST

Prices are unchanged to fractionally lower. The market tone is showing more signs of weakness. Spot buyers are showing little interest at this time as they adopt a wait and see posture. Next week's ADPI meetings in Chicago will bring together many buyers and sellers, which may trigger some interest, but most contacts don't appear to be too optimistic. Production levels are steady to heavier as more milk is available to cheese plants. However, some operations are limiting milk receipts to avoid building cheese and dry whey inventories. Offerings of dry whey in the East are increasing at some plants, balanced at others.

F.O.B. NORTHEAST: EXTRA GRADE AND GRADE A: .1550 - .1725
DELVD SOUTHEAST: .1750 - .1850

DRY WHEY - WEST

Prices for Western whey range from steady to lower. The market continues to have a weak undertone. Production continues to outpace demand at many locations with the result that stocks are building. Manufacturers are finding more competition for export sales from Europe and from permeate. Some are calling demand OK, but offerings are much heavier. Domestic interest is for current needs only. Buyers are showing no inclination to store additional product for future needs at these low market prices.

NONHYGROSCOPIC: .1225 - .1650 MOSTLY: .1300 - .1450

ANIMAL FEED WHEY - CENTRAL

Prices are unchanged to lower on a steady to weak market. Supplies of milk replacer are increasing for the fair interest. Extra Grade quality permeate product is readily available at competitive prices to milk replacer, deterring milk replacer interest at some locations. Roller ground prices are generally unchanged. With less producers, production is reduced and prices are less likely to fluctuate. March hog kill and calf slaughter were 2% and 10% higher than last year respectively. For Report 17 in 2002, milk replacer and roller ground prices respectively were .1550 - .1750 and .1675 - .2050.

NOTICE: Due to the reduced number of roller ground producers, the roller ground report will be discontinued as of May 1, 2003.

F.O.B. CENTRAL:
MILK REPLACER: .1275 - .1375
ROLLER GROUND: .1475 - .1825

WHEY PROTEIN CONCENTRATE - CENTRAL AND WEST

Prices are unchanged to lower on a weak market. Production is heavy and inventories are building. Competitive high protein substitutes are readily available from European and Oceania sources. Resale NDM from drought relief areas is also noted as a concern by some WPC 34% producers. Producers are encouraging buyers to make a bid. Export movement into Canada is noted at a discount. Domestically, some WPC 34% supplies are being delivered from the West at the average. Plants that are well contracted are in the best position. Off grade supplies are available for the light interest. For Report 17 in 2002, mostly prices were .5400 - .5650.

F.O.B. EXTRA GRADE 34% PROTEIN: .4600 - .5200 MOSTLY: .4650 - .4900

LACTOSE - CENTRAL AND WEST

Prices are unchanged on a steady to firm market. Production and inventories are mostly in balance. Spot trade activity is light with most movement occurring on a contractual basis. Interest is best on the higher mesh sizes into domestic and export edible markets. Feed grade supplies are limited and trading within the range. However, with the price spread between whey and lactose growing, more feed producers are instead opting to purchase whey. Permeate is also a competitive substitute to lactose. For Report 17 in 2002, mostly prices were .1800 - .2100.

Including spot sales and up to 3 month contracts. Mesh size 30 - 100.

F.O.B. EDIBLE: .1600 - .2350 MOSTLY: .1650 - .1900

CASEIN - NATIONAL

Casein prices are basically unchanged, although the market tone remains firm. Stocks are sufficient for domestic buyer needs. Often, domestic buyers have contracted with a supplier and are not looking outside of this source for additional stocks. Although the production season has concluded in the Oceania region and reports indicate that production in Europe is lagging last year, domestic buyers are not overly concerned about future supplies. Most feel that they have adequate volumes for known needs, but spot availability might be limited.

SPOT SALES AND UP TO 3 MONTH CONTRACTS. PRICES ARE F.O.B., U.S. WAREHOUSE FOR EDIBLE NONRESTRICTED AND VARY ACCORDING TO MESH SIZE AND QUALITY.

RENNET: 1.9500 - 2.1000
ACID: 1.9500 - 2.0500

EVAPORATED MILK - NATIONAL

Prices and the market tone are unchanged. Production levels are heavy as surplus milk volumes are increasing in most parts of the country. Some producers are operating at near capacity levels to build inventories while they can. Demand is slower and just for replacement needs.

DOLLARS PER 48 - 12 FLUID OUNCE CANS PER CASE DELIVERED MAJOR U.S. CITIES \$18.00 - 30.00
Excluding promotional and other sales allowances. Included new price announcements.

CHICAGO MERCANTILE EXCHANGE FUTURES

Selected settling prices, (open interest), and volume 1/

Month	04/09	04/10	04/11	04/14	04/15	04/16	04/17	04/18	04/21	04/22
CME - (CLASS III) MILK FUTURES -- Dollars per cwt										
APR 03	9.45 (3462) 15	9.47 (3230) 256	9.42 (3180) 1	9.41 (3178) 3	9.41 (3203) 1	9.42 (3204) 1	9.42 (3206) 48	NO TRADING	9.35 (3201) 1	9.35 (3210) 51
MAY 03	9.85 (4276) 60	9.82 (4277) 43	9.78 (4276) 29	9.71 (4278) 18	9.71 (4200) 85	9.69 (4210) 11	9.69 (4171) 111		9.65 (4126) 121	9.65 (4130) 8
JUN 03	10.20 (3903) 26	10.11 (3892) 76	10.07 (3837) 93	10.01 (3846) 31	10.07 (3903) 140	10.11 (3904) 18	10.15 (4024) 155		10.05 (4102) 129	10.06 (4124) 76
JUL 03	10.67 (3108) 74	10.60 (3108) 83	10.65 (3138) 57	10.53 (3160) 37	10.59 (3229) 121	10.61 (3237) 25	10.63 (3268) 61		10.60 (3316) 149	10.68 (3456) 194
AUG 03	10.97 (2867) 14	10.93 (2870) 27	10.98 (2862) 23	10.91 (2924) 112	10.93 (2928) 37	10.96 (2933) 12	11.00 (2946) 34		11.00 (2945) 7	11.02 (3005) 82
SEP 03	11.65 (2866) 6	11.60 (2838) 48	11.70 (2844) 13	11.64 (2845) 14	11.65 (2847) 42	11.74 (2837) 24	11.75 (2880) 169		11.70 (2867) 42	11.75 (2876) 55
OCT 03	11.94 (2416) 27	11.75 (2392) 13	11.76 (2402) 25	11.75 (2402) 13	11.78 (2402) 7	11.85 (2412) 25	11.90 (2423) 50		11.80 (2432) 24	11.83 (2432) 11
NOV 03	11.55 (1718) 28	11.40 (1700) 10	11.43 (1698) 16	11.42 (1702) 21	11.62 (1698) 34	11.65 (1702) 16	11.65 (1719) 17		11.63 (1728) 20	11.65 (1742) 15
DEC 03	11.65 (1459) 18	11.45 (1451) 13	11.47 (1454) 14	11.46 (1456) 11	11.46 (1472) 20	11.52 (1476) 12	11.52 (1473) 13		11.52 (1480) 10	11.60 (1485) 6
JAN 04	11.58 (226) 3	11.55 (228) 2	11.55 (231) 3	11.45 (231) 0	11.55 (232) 1	11.55 (235) 3	11.55 (237) 2		11.55 (240) 3	11.55 (240) 0
FEB 04	11.58 (182) 2	11.55 (184) 2	11.55 (188) 4	11.50 (188) 2	11.55 (190) 2	11.55 (190) 3	11.56 (194) 4		11.55 (195) 2	11.55 (198) 3
MAR 04	11.45 (113) 2	11.35 (115) 2	11.35 (115) 0	11.35 (115) 0	11.35 (115) 0	11.35 (116) 1	11.42 (117) 1		11.42 (117) 0	11.42 (118) 1
APR 04	11.39 (90) 1	11.39 (91) 1	11.39 (91) 0	11.39 (91) 0	11.39 (91) 0	11.39 (91) 0	11.37 (91) 0		11.37 (91) 0	11.37 (93) 3
MAY 04	11.30 (75) 1	11.25 (77) 2	11.25 (77) 0	11.25 (77) 0	11.25 (77) 0	11.25 (77) 0	11.25 (77) 0		11.25 (78) 1	11.25 (79) 1
JUN 04	11.60 (74) 1	11.60 (75) 1	11.60 (75) 0	11.60 (75) 0	11.60 (75) 0	11.60 (75) 0	11.58 (75) 0		11.58 (76) 1	11.58 (77) 1
JUL 04	11.95 (40) 2	11.95 (41) 1	11.95 (41) 0	11.95 (41) 0	11.95 (41) 0	11.92 (41) 1	11.92 (41) 0		11.92 (48) 16	11.93 (51) 3
AUG 04	12.00 (37) 0	12.00 (39) 2	12.00 (39) 0	12.00 (39) 0	12.00 (39) 0	12.00 (39) 0	12.00 (39) 0		12.00 (40) 10	12.00 (41) 1
SEP 04	12.10 (15) 0	12.10 (17) 2	12.10 (17) 0	12.10 (18) 1	12.10 (18) 0	12.20 (19) 1	12.20 (19) 0		12.30 (19) 0	12.30 (19) 0
CME - (CLASS IV) MILK FUTURES - Dollars per cwt.										
APR 03	9.95 (14) 0	9.95 (14) 0	9.85 (14) 0	9.85 (14) 0	9.85 (14) 0	9.85 (14) 0	9.85 (14) 0	NO TRADING	9.85 (14) 0	9.85 (14) 0
MAY 03	10.15 (8) 0	10.15 (8) 0	10.15 (8) 0	10.15 (8) 0	10.15 (8) 0	10.15 (8) 0	10.15 (8) 0		10.15 (8) 0	10.15 (8) 0
JUN 03	10.15 (5) 0	10.15 (5) 0	10.15 (5) 0	10.15 (5) 0	10.15 (5) 0	10.15 (5) 0	10.15 (5) 0		10.15 (5) 0	10.15 (5) 0
JUL 03	10.20 (11) 0	10.20 (11) 0	10.20 (11) 0	10.20 (11) 0	10.20 (11) 0	10.20 (11) 0	10.17 (11) 0		10.17 (11) 0	10.17 (11) 0
AUG 03	10.25 (36) 0	10.25 (36) 0	10.25 (36) 0	10.25 (36) 0	10.25 (36) 0	10.25 (36) 0	10.25 (36) 0		10.25 (36) 0	10.25 (36) 0
SEP 03	10.30 (20) 0	10.30 (20) 0	10.30 (20) 0	10.30 (20) 0	10.30 (20) 0	10.30 (20) 0	10.30 (20) 0		10.30 (20) 0	10.30 (20) 0
CME - BUTTER FUTURES -- Cents per pound										
MAY 03	110.20 (379) 6	111.00 (379) 0	111.00 (381) 2	111.50 (383) 2	110.50 (380) 10	110.25 (380) 0	110.25 (368) 38	NO TRADING	110.00 (367) 16	109.25 (369) 3
JUL 03	113.50 (383) 5	114.25 (383) 0	114.25 (392) 9	114.72 (395) 4	113.75 (396) 5	113.50 (396) 0	113.47 (424) 31		113.50 (426) 4	112.50 (427) 1
SEP 03	116.50 (352) 6	117.00 (352) 2	117.50 (352) 0	117.50 (352) 0	117.25 (352) 0	117.00 (352) 0	116.75 (352) 1		116.25 (352) 4	115.25 (352) 0
OCT 03	118.00 (272) 1	118.00 (272) 5	119.00 (272) 0	119.00 (272) 0	118.75 (272) 0	118.20 (272) 0	118.00 (272) 0		118.00 (274) 4	116.75 (274) 0
DEC 03	119.47 (73) 0	119.47 (73) 0	119.50 (73) 0	119.50 (73) 0	119.50 (73) 0	119.50 (73) 0	119.50 (73) 0		119.50 (79) 7	119.00 (80) 1
MAR 04	129.97 (25) 1	130.00 (31) 8	129.00 (31) 0	129.00 (31) 0	129.00 (36) 5	128.00 (36) 0	128.00 (36) 0		128.00 (36) 0	127.75 (36) 0

1/ At the CME open interest for milk -- 200,000 pounds per contract. For more detailed information, you may call our automated voice system at 608-224-5088.

INTERNATIONAL DAIRY MARKET NEWS

Information gathered April 14 - 25, 2003

Prices are U.S. \$/MT, F.O.B. port. Information gathered for this report is from trades, offers to sell, and secondary data. This bi-weekly report may not always contain the same products and/or regions. Future reports may be included or withdrawn depending on availability of information. MT = metric ton = 2,204.6 pounds.

WESTERN AND EASTERN EUROPE

OVERVIEW: WESTERN EUROPE: Milk production throughout Europe continues to build seasonally, although not at the pace of last year at this time. In many Western European areas, lack of moisture and cool temperatures are limiting pasture growth, thus early spring grazing is not enhancing production trends. The milk production season started off quite positively, but has eased due to less than favorable early spring conditions. European producers, handlers, and traders are very curious as to what will come out the EU Management Committee this week pertaining to dairy issues. On the agenda are dairy issues relating to export refunds for milk powders and casein manufacturing allowances. Those within the industry have mixed opinions on both of these items. Some indicate that a firm Euro is giving potential strength for export refund increases for milk powders which could stimulate buyer interest, while others hope that adjustment would be held off until May. At the meeting on Thursday afternoon (4/24), no subsidy adjustments for powdered milk were reported, but a subsidy increase of 14.3% occurred for skim milk powder for the production of casein. Intervention for skim milk powder has been open since March 1. Through April 20, 12,948 mt of powder have been offered to intervention compared to 34,462 mt last year during the same time period. Early on, producers and handlers felt that intervention offerings would be lighter than last year and maximum levels during the open season would not be attained and recent light offerings continue to support this thinking. International sales remain slow and unaggressive with prices generally holding steady. Some handlers are adjusting their prices slightly to hopefully re-kindle some buyer interest, but no significant sales activity is being reported. As milk production builds throughout Europe, so are manufacturing schedules. At this point, powdered milk production is seasonally active with casein production trailing last year.

BUTTER/BUTTEROIL: Butter markets are generally steady at unchanged prices. Producers and handlers indicate that intervention offerings are lighter as good domestic demand is keeping product moving commercially. International sales remain slow and unaggressive with producers optimistic that these conditions will not continue for the balance of the season. European producers are aware of the Oceania butter supply situation and are hopeful that they will be able to fill buyer needs that can not be met from Australian or New Zealand sources.

82% BUTTERFAT:	1,250 - 1,300
99% BUTTERFAT:	1,550 - 1,650

SKIM MILK POWDER (SMP): Skim milk powder markets are generally steady, with prices unchanged to slightly lower. Early in the week, producers, handlers and traders were very curious as to what the EU Management committee would do pertaining to export subsidies during their meeting later in the week. Some were hopeful that subsidies would be adjusted, while others anticipated no changes at this time. At the conclusion of the meeting on Thursday (4/24), export refunds for skim milk powder remained unchanged. Skim milk powder production continues to increase in Europe as milk production slowly builds. Since March 1, 12,948 mt of surplus skim powder has been offered to intervention. Current offerings trail last year at this time by 21,514 mt.

1.25% BUTTERFAT:	1,635 - 1,700
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WHOLE MILK POWDER (WMP): Whole milk powder markets are generally steady, although prices are lower. Weaker prices are being attributed to the firm Euro versus supply/demand. International sales are slow and suppliers are hopeful that lower prices might encourage buyer interest. Producers and handlers have mixed opinions on what the EU Management Committee might do with export subsidies at their next meeting. Some desire an adjustment now while others hope that they hold off until May. At the meeting, the Commission did not adjust export refunds at this time.

26% BUTTERFAT:	1,600 - 1,700
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SWEET WHEY POWDER: European whey powder markets are weak with prices unchanged to lower. Cheese production is seasonally active thus whey volumes are increasing. Animal feed buyers are not as aggressive in procuring whey for their needs, thus powder stocks are building. Some producers are lowering their prices in hopes of encouraging whey sales, but this move is not generating the results that they had hoped.

NONHYGROSCOPIC:	360 - 450
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OVERVIEW: EASTERN EUROPE: Milk production in Eastern Europe continues to increase slowly and lags Western European patterns by about 3 - 4 weeks. Weather conditions in Eastern Europe are much the same as their Western counterparts. International sales are reported as light with most market activity centering around shipments of previously acknowledged sales. Producers and handlers remain optimistic about milk production during the current season and potential sales activity during upcoming months.

OCEANIA

OCEANIA OVERVIEW: Milk producers and handlers in the Oceania region are adjusting milking and processing schedules according to the declining milk flow. In both Australia and New Zealand, manufacturing facilities are closing down for the season or those that remain open are adjusting their processing schedules toward products of most need. In most dairy plants in the Oceania region, milk can be processed into one of many different products at one location ranging from casein to powdered milk. Casein is usually the first product to be cut back with skim and whole milk powder the last. This is the situation again this year. Stocks of manufactured dairy products in the region are reported to be in close balance to comfortable with known needs for the upcoming winter months. Manufacturers and handlers indicate that although stocks seem to be in balance, additional late season production will be appreciated and will ease questionable stock levels at some locations. Annual milk production figures for both New Zealand and Australia have not changed from recent releases. In New Zealand, milk output is still projected to be around 2 - 3% ahead of last season, while around 10% lower in Australia. Lack of moisture in the major milk producing area of Australia, Victoria, is the main factor being attributed to decline in milk production during the current year. Stocks of dairy products are sufficient to maintain steady shipments and timely delivery schedules. Most trading activity continues to center around regular and ongoing customer needs with minimal new buyer interest being reported. Oceania handlers report that, although Oceania supplies are quite limited for new buyer needs, international sales activity is light. Slow international sales are being attributed to various factors ranging from economic weakness in many markets, lingering uncertainty in Iraq, potential impact of the SARS outbreak in China and elsewhere in the world, and potential import cutbacks by some importing countries. All of these factors will have a definite impact on market development during the upcoming weeks and months.

BUTTER: Oceania butter markets are generally steady at unchanged prices. The milk production season is winding down in both Australia and New Zealand, and in instances, some butter operations have ceased production for the season. Stocks of butter are reported to be in close balance for known needs. Most producers and handlers feel that they will have sufficient volumes to meet needs, but will have minimal, if any, available for spot buyer interest.

82% BUTTERFAT:	1,250 - 1,300
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CHEDDAR CHEESE: Oceania cheese markets are steady at unchanged prices. Milk production in the region is declining seasonally and in some areas is finished for the season, thus cheese production is winding down also. Stocks of cheese are reported to be in balance with projected needs during the winter months. Most market activity is centering around shipments of previously placed orders. Handlers feel that they have sufficient volumes of cheese for this known need with minimal volumes available for spot buyer interest.

39% MAXIMUM MOISTURE:	1,700 - 1,900
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SKIM MILK POWDER (SMP): Skim milk powder markets are generally steady, although prices are unchanged to slightly lower. Oceania production is winding down as milk volumes decline. When possible, late season milk volumes are being directed toward milk powder production. Stocks are reported to be sufficient to meet needs, but this late season output will lighten the supply pressure for some producers and handlers. Trading activity continues to center around regular and ongoing customer needs.

1.25% BUTTERFAT:	1,650 - 1,750
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WHOLE MILK POWDER (WMP): Whole milk powder markets are generally steady, although prices are unchanged to lower. Whole milk powder stocks are reported to be in a comfortable position, although some late season powder production is allowing some breathing room for those producers that are not quite as positive. No buyer interest is being reported at this time with most market activity centering around shipments of previously placed orders.

26% BUTTERFAT:	1,750 - 1,775
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Exchange rates for selected foreign currencies: April 21, 2003

.6877 Canadian Dollar	.0211 Indian Rupee
.3463 Argentina Peso	.5548 New Zealand Dollar
.0950 Mexican Peso	.6143 Australian Dollar
.2561 Polish Zloty	.0083 Japanese Yen
	1.0868 Euro

To compare the value of 1 US Dollar to Mexican Pesos: (1/.0950)= 10.5263. That is 1 US Dollar equals 10.5263 Mexican Pesos.

Source: "Wall Street Journal"

MONTHLY COLD STORAGE REPORT – TOTAL U.S. STOCKS

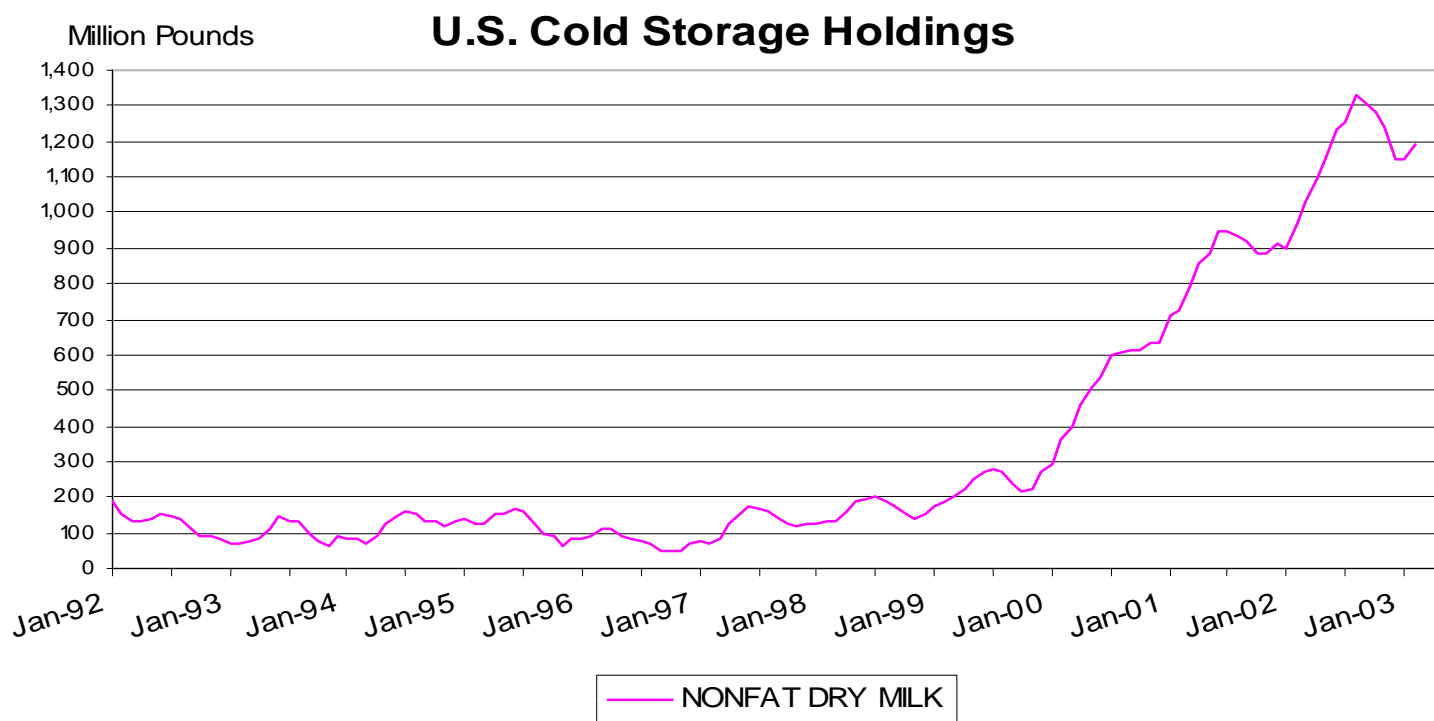
NOTE: Data for this report is collected from public, private and semiprivate warehouses, apple houses, and meat packing plants where food products are generally stored for 30 days or more. Commodities in space owned or leased and operated by the armed services are not reported. Food stocks held under bond are included in the storage data.

All stocks in thousand pounds except where otherwise indicated

U.S. HOLDINGS OF DAIRY PRODUCTS						
COMMODITY	FEB 28, 2001	FEB 28, 2002	REVISED FEB 28, 2003	MAR 31, 2001	MAR 31, 2002	MAR 31, 2003
Butter	86,078	130,124	238,197	96,208	145,160	242,138
Cheese, Natural American	505,951	491,147	538,314	500,430	498,290	535,036
Cheese, Swiss	13,027	12,711	23,149	12,680	12,880	23,647
Cheese, Other Natural	204,938	216,463	207,043	198,517	220,552	211,244
U.S. GOVERNMENT OWNED COLD STORAGE HOLDINGS						
Butter	279	1,200	747	717	1,323	755
Natural American Cheese	1,806	753	368	1,955	733	1,602

MARCH COLD STORAGE HOLDINGS BY REGION									
REGION	Natural American Cheese			Butter *			Other Natural Cheese		
	2001	2002	2003	2001	2002	2003	2001	2002	2003
New England	22,068	20,186	21,175	---	---	---	379	530	276
Middle Atlantic	51,366	59,637	59,548	---	---	---	14,804	39,158	17,448
East North Central	224,717	199,876	216,690	---	---	---	106,141	107,535	122,782
West North Central	94,923	118,648	123,432	---	---	---	59,832	61,473	54,018
South Atlantic	5,453	171	118	---	---	---	219	158	1,883
East South Central	0	103	230	---	---	---	155	214	206
West South Central	583	2,968	1,592	---	---	---	517	194	283
Mountain	15,407	8,510	15,048	---	---	---	6,357	2,537	1,932
Pacific	85,913	88,191	97,203	---	---	---	10,113	8,753	12,416
TOTAL	500,430	498,290	535,036	96,208	145,160	242,138	198,517	220,552	211,244

*Regional breakdowns are not reported to avoid possible disclosure of individual operations.



COMMERCIAL AND GOVERNMENT STORAGE HOLDINGS, JANUARY 2002 TO DATE

Month	Butter						Natural American Cheese						Nonfat Dry Milk					
	Total <u>1/</u>		Commercial		Government		Total <u>1/</u>		Commercial		Government		Total <u>1/ 2/</u>		Commercial		Government <u>2/</u>	
	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002	2003	2002
	Million Pounds						Million Pounds						Million Pounds					
January	203	99	202	99	<u>3/</u>	<u>3/</u>	512	460	512	459	<u>3/</u>	1	1,147	900	112	120	1,036	780
February	238	130	237	129	1	1	538	491	538	490	<u>3/</u>	1	1,194	966	123	142	1,071	823
March	242	145	241	144	1	1	535	498	533	498	2	1	1,028		158		871	
April	197		195		2		514		513		1		1,093		161		933	
May	227		225		2		536		535		1		1,146		166		981	
June	243		241		2		549		548		1		1,235		174		1,062	
July	245		243		2		573		573		1		1,254		138		1,116	
August	229		227		2		565		565		<u>3/</u>		1,327		109		1,218	
September	209		207		2		513		512		1		1,308		85		1,223	
October	165		163		2		501		500		1		1,279		79		1,200	
November	136		135		1		474		474		<u>3/</u>		1,238		87		1,151	
December	158		157		1		493		493		<u>3/</u>		1,148		101		1,047	

NA – Not Available.

1/ Total may not add due to rounding. 2/ Includes instant nonfat dry milk. 3/ Less than 500,000 lbs.COMMERCIALLY OWNED COLD STORAGE HOLDINGS FOR THE UNITED STATES 1/

Commodity	Feb 28, 2001	Feb 28, 2002	Feb 28, 2003	Mar 31, 2001	Mar 31, 2002	Mar 31, 2003
	Thousand Pounds					
Butter	85,799	128,924	237,450	95,491	143,837	241,383
Natural American Cheese	504,145	490,394	537,946	498,475	497,557	533,434

1/ Total holdings minus Government owned holdings. For more information, see page 9 of this report.

SOURCE: "Cold Storage," Co St 1 (4-03) and "Dairy Products," Da 2-6 (4-03), Agricultural Statistics Board, National Agricultural Statistics Service; and "Summary of Processed Commodities in Store," Farm Service Agency.

ANNOUNCED COOPERATIVE CLASS I PRICES IN SELECTED CITIES, MAY 2003, WITH COMPARISONS ^{1/}												
CITY	May 2001			May 2002			April 2003			May 2003		
	Announced Coop.	Federal Order	Differ- ence	Announced Coop.	Federal Order	Differ- ence	Announced Coop.	Federal Order	Differ- ence	Announced Coop.	Federal Order	Differ- ence
Dollars Per Hundredweight, 3.5% Butterfat												
Atlanta, GA	18.28	17.31	0.97	16.29	14.36	1.93	15.00	12.74	2.26	15.07	12.81	2.26
Baltimore, MD	18.96	17.21	1.75	16.01	14.26	1.75	14.39	12.64	1.75	14.48	12.71	1.77
Boise, ID ^{2/}	16.06	15.81	0.25	13.16	12.86	0.30	11.54	11.24	0.30	11.61	11.31	0.30
Boston, MA	17.94	17.46	0.48	16.11	14.51	1.60	14.29	12.89	1.40	14.36	12.96	1.40
Charlotte, NC	18.28	17.31	0.97	16.29	14.36	1.93	15.00	12.74	2.26	15.07	12.81	2.26
Chicago, IL	17.66	16.01	1.65	14.95	13.06	1.89	13.55	11.44	2.11	13.57	11.51	2.06
Cincinnati, OH	18.14	16.41	1.73	15.07	13.46	1.61	13.79	11.84	1.95	13.86	11.91	1.95
Cleveland, OH	17.94	16.21	1.73	14.87	13.26	1.61	13.59	11.64	1.95	13.66	11.71	1.95
Dallas, TX	17.55	17.21	0.34	15.86	14.26	1.60	14.04	12.64	1.40	14.11	12.71	1.40
Denver, CO	17.46	16.76	0.70	14.66	13.81	0.85	13.04	12.19	0.85	13.11	12.26	0.85
Des Moines, IA	17.22	16.01	1.21	14.42	13.06	1.36	12.84	11.44	1.40	12.90	11.51	1.39
Detroit, MI *	17.01	16.01	1.00	14.31	13.06	1.25	12.98	11.44	1.54	13.05	11.51	1.54
Hartford, CT	17.84	17.36	0.48	16.01	14.41	1.60	14.19	12.79	1.40	14.26	12.86	1.40
Houston, TX	18.15	17.81	0.34	16.46	14.86	1.60	14.64	13.24	1.40	14.71	13.31	1.40
Indianapolis, IN	17.94	16.21	1.73	14.87	13.26	1.61	13.59	11.64	1.95	13.66	11.71	1.95
Kansas City, MO	17.17	16.21	0.96	15.00	13.26	1.74	13.43	11.64	1.79	13.49	11.71	1.78
Louisville, KY	17.41	16.41	1.00	14.56	13.46	1.10	13.27	11.84	1.43	13.34	11.91	1.43
Memphis, TN	17.68	17.01	0.67	15.79	14.06	1.73	14.50	12.44	2.06	14.57	12.51	2.06
Miami, FL	20.79	18.51	2.28	18.80	15.56	3.24	17.16	13.94	3.22	17.23	14.01	3.22
Milwaukee, WI	17.76	15.96	1.80	15.05	13.01	2.04	13.65	11.39	2.26	13.67	11.46	2.21
Minneapolis, MN	17.12	15.91	1.21	14.56	12.96	1.60	13.00	11.34	1.66	13.02	11.41	1.61
New Orleans, LA	18.33	17.81	0.52	16.44	14.86	1.58	15.15	13.24	1.91	15.22	13.31	1.91
Oklahoma City, OK	17.61	16.81	0.80	15.50	13.86	1.64	13.89	12.24	1.65	13.96	12.31	1.65
Omaha, NE	17.27	16.06	1.21	14.47	13.11	1.36	12.89	11.49	1.40	12.95	11.56	1.39
Philadelphia, PA	19.13	17.26	1.87	16.18	14.31	1.87	14.44	12.69	1.75	14.53	12.76	1.77
Phoenix, AZ	16.71	16.56	0.15	13.76	13.61	0.15	12.14	11.99	0.15	12.21	12.06	0.15
Pittsburgh, PA	18.51	16.31	2.20	15.36	13.36	2.00	13.64	11.74	1.90	13.71	11.81	1.90
St. Louis, MO	17.92	16.21	1.71	14.51	13.26	1.25	12.89	11.64	1.25	12.96	11.71	1.25
Salt Lake City, UT	16.36	16.11	0.25	13.46	13.16	0.30	11.84	11.54	0.30	11.91	11.61	0.30
Seattle, WA	16.53	16.11	0.42	13.58	13.16	0.42	11.96	11.54	0.42	12.03	11.61	0.42
Springfield, MO	17.21	16.41	0.80	15.10	13.46	1.64	13.49	11.84	1.65	13.56	11.91	1.65
Washington, DC	18.96	17.21	1.75	16.01	14.26	1.75	14.39	12.64	1.75	14.48	12.71	1.77
Simple Average	17.78	16.69	1.09	15.23	13.74	1.49	13.69	12.12	1.57	13.76	12.19	1.57

* Announced cooperative price for April has been revised.

^{1/} This table contains information obtained from the Class I price announcements sent by the major cooperative in each city market to all handlers who buy milk from them. These over-order prices include charges for various services performed by the cooperative. In some instances, these over-order prices may not include all credits that may be allowed. These prices have not been verified as having been actually paid by handlers.

^{2/} The information for this city is being reported now; the information for Spokane, WA has been discontinued.

MAILBOX MILK PRICES FOR SELECTED REPORTING AREAS IN FEDERAL MILK ORDERS AND CALIFORNIA, 2002 ANNUAL AVERAGES, WITH COMPARISONS

For 2002, mailbox prices for selected reporting areas in Federal milk orders averaged \$11.91 per cwt., \$2.86 lower than the all-area average reported for 2001. On an individual reporting area basis, mailbox prices averaged lower in 2002 than in 2001 in all areas. Florida had the highest average price in 2002, \$15.22; Utah had the lowest average, \$10.68. During the year, mailbox prices decreased from January through June/July, then increased through October/November, and then decreased through the end of the year.

Reporting Area <u>1/</u>	Mailbox Milk Price <u>2/</u> <u>3/</u>		
	2001	2002	Change 2002 from 2001
	Dollars per cwt.		
Northeast Federal Milk Order	14.95	11.89	-3.06
Appalachian States <u>4/</u>	15.67	12.62	-3.05
Southeast States <u>5/</u>	15.91	13.19	-2.72
Florida	17.61	15.22	-2.39
Ohio	14.83	11.91	-2.92
Michigan	14.62	11.69	-2.93
Wisconsin	14.65	12.02	-2.63
Minnesota	14.53	11.85	-2.68
Illinois	14.50	11.94	-2.56
Northern Missouri <u>6/</u>	14.26	12.47	-1.79
Southern Missouri <u>7/</u>	14.71	11.99	-2.72
Corn Belt States <u>8/</u>	14.37	11.67	-2.70
Western Texas <u>9/</u>	14.73	12.02	-2.71
New Mexico	13.89	11.05	-2.84
Idaho	13.56	10.88	-2.68
Utah	13.71	10.68	-3.03
Northwest States <u>10/</u>	14.29	11.54	-2.75
All Federal Order Areas <u>11/</u>	14.77	11.91	-2.86
California <u>12/</u>	13.89	10.99	-2.90

1/ Information is shown for those areas for which prices are reported for at least 75% of the milk marketed under Federal milk orders. The price shown is the weighted average of the prices reported for all orders that received milk from the area. 2/ Net pay price received by dairy farmers for milk. Includes all payments received for milk sold and all costs associated with marketing the milk. Price is a weighted average for the reporting area and is reported at the average butterfat test. 3/ All figures are weighted annual averages using the applicable monthly prices and producer milk receipts for the respective area or group of areas for which the price is reported. 4/ Includes Kentucky, North Carolina, South Carolina, Tennessee, and Virginia. 5/ Includes Alabama, Georgia, Louisiana, and Mississippi. 6/ All counties to the north of Vernon, Cedar, Polk, Dallas, Laclede, Texas, Dent, Crawford, Washington, St. Francois, and Perry. 7/ The counties listed in 6/ and all those to the south of these. 8/ Includes Iowa, Kansas, and Nebraska. 9/ All counties to the west of Fanin, Hunt, Van Zandt, Henderson, Anderson, Houston, Cherokee, Nacogdoches, and Shelby. 10/ Includes Oregon and Washington. 11/ Weighted average of the information for all selected reporting areas in Federal milk orders. 12/ Calculated by California Department of Food and Agriculture, and published in "California Dairy Information Bulletin." Annual average is the simple average of monthly prices.

FEDERAL MILK ORDER ADVANCE PRICES, MAY

Class I Base Price - Under the Federal milk order pricing system, the Class I base price for May 2003 is \$9.71 per cwt. This price is derived from the advanced Class IV skim milk pricing factor of \$5.91 and the advanced butterfat pricing factor of \$1.1462. A Class I differential for each order's principal pricing point (county) is added to the base price to determine the Class I price. **Class II Price Information** - The advanced Class IV skim milk pricing factor is \$5.91. Thus, the Class II skim milk price for May is \$6.61 per cwt., and the Class II nonfat solids price is \$0.7344. **Product Price Averages** - The two-week product price averages for May are, butter \$1.0702, nonfat dry milk \$0.8032, cheese \$1.0842, and dry whey \$0.1589.

FEDERAL MILK ORDER CLASS I PRICE INFORMATION ^{1/} ^{2/}				
Federal Milk Order Marketing Area ^{3/}	Order Number	May 2003		
		Class I Price (3.5 %)	Class I Skim Milk Price	Class I Butterfat Price
		\$ per cwt.	\$ per cwt.	\$ per pound
Northeast (Boston) ^{4/}	001	12.96	9.16	1.1787
Appalachian (Charlotte) ^{5/}	005	12.81	9.01	1.1772
Southeast (Atlanta) ^{6/}	007	12.81	9.01	1.1772
Florida (Tampa) ^{7/}	006	13.71	9.91	1.1862
Midwest (Cleveland) ^{8/}	033	11.71	7.91	1.1662
Upper Midwest (Chicago) ^{9/}	030	11.51	7.71	1.1642
Central (Kansas City) ^{10/}	032	11.71	7.91	1.1662
Southwest (Dallas) ^{11/}	126	12.71	8.91	1.1762
Arizona-Las Vegas (Phoenix) ^{12/}	131	12.06	8.26	1.1697
Western (Salt Lake City) ^{13/}	135	11.61	7.81	1.1652
Pacific Northwest (Seattle) ^{14/}	124	11.61	7.81	1.1652
All-Market Average		12.29	8.49	1.1720

^{1/} To convert the Class I price per 100 pounds to the Class I price per gallon, divide by 11.63--the approximate number of gallons in 100 pounds of milk. ^{2/} Note: The mandatory \$0.20 per cwt. processor assessment under the Fluid Milk Promotion Order is not included in the Class I prices shown on this table. ^{3/} Names in parentheses are the major city in the principal pricing point of the markets. ^{4/} Class I prices at other cities are: New York City, minus \$0.10; Philadelphia, minus \$0.20; Baltimore, minus \$0.25; and Washington, DC, minus \$0.25. ^{5/} Class I prices at other cities are: Knoxville, minus \$0.30 and Louisville, minus \$0.90. ^{6/} Class I prices at other cities are: New Orleans; plus \$0.50; Memphis, minus \$0.30; Nashville, minus \$0.50; and Springfield, Mo., minus \$0.90. ^{7/} Class I prices at other cities are: Orlando, same; Miami, plus \$0.30; and Jacksonville, minus \$0.30. ^{8/} Class I prices at other cities are: Indianapolis, same; Cincinnati, plus \$0.20; Pittsburgh, plus \$0.10; and Detroit, minus \$0.20. ^{9/} Class I prices at other cities are: Milwaukee, minus \$0.05; and Minneapolis, minus, \$0.10. ^{10/} Class I prices at other cities are: Des Moines, minus \$0.20; Omaha, minus \$0.15; Oklahoma City, plus \$0.60; St. Louis, same; and Denver plus \$0.55. ^{11/} Class I prices at other cities are: Houston, plus \$0.60; San Antonio, plus \$0.45; Albuquerque, minus \$0.65; and El Paso, minus \$0.75. ^{12/} Class I price at Las Vegas is minus \$0.35. ^{13/} Class I price at Boise is minus \$0.30. ^{14/} Class I prices at other cities are: Portland, same; and Spokane, same.

CCC PURCHASES OF DAIRY PRODUCTS (POUNDS)

	FOR THE WEEK OF APRIL 21 - 25, 2003			CUMULATIVE TOTALS		UNCOMMITTED INVENTORIES	
	TOTAL PURCHASES	CONTRACT ADJUSTMENTS	ADJUSTED PURCHASES	SINCE 10/01/02	SAME PERIOD LAST YEAR	WEEK ENDING 04/17/03	SAME PERIOD LAST YEAR
BUTTER							
Bulk	888,426	-0-	888,426	7,573,683	-0-	-0-	-0-
Packaged	-0-	-0-	-0-	328,320	-0-	-0-	-0-
TOTAL	888,426	-0-	888,426	7,902,003	-0-	-0-	-0-
CHEESE							
Block	188,245	-0-	188,245	3,863,460	-0-	-0-	-0-
Barrel	165,813	-0-	165,813	5,470,039	-0-	-0-	-0-
Process	1,782,000	-0-	1,782,000	17,305,200	-0-	-0-	-0-
TOTAL	2,136,058	-0-	2,136,058	26,638,699	-0-	-0-	-0-
NONFAT DRY MILK							
Nonfortified	21,731,207	711,793	21,019,414	384,985,750	340,495,003	1,209,818,000	917,849,000
Fortified	-0-	-0-	-0-	-0-	-0-	46,391,000	46,391,000
TOTAL	21,731,207	711,793	21,019,414	384,985,750	340,495,003	1,256,209,000	964,240,000

MILK EQUIVALENT, FAT SOLIDS BASIS, OF ADJUSTED PURCHASES (MILLION POUNDS)

	MILKFAT* BASIS	SKIM** SOLIDS		MILKFAT* BASIS	SKIM** SOLIDS
WEEK OF APRIL 21 - 25, 2003 =	43.7	265.9	COMPARABLE PERIOD IN 2002 =	3.4	180.1
CUMULATIVE SINCE OCTOBER 1, 2002 =	502.8	4,745.9	CUMULATIVE SAME PERIOD LAST YEAR =	74.9	3,963.3
CUMULATIVE JANUARY 1 - APRIL 25, 2003 =	428.7	3,480.3	COMPARABLE CALENDAR YEAR 2002 =	58.0	3,067.5

* Factors used for Fat Solids Basis - Butter times 21.80; Cheese times 9.23; and Nonfat Dry Milk times 0.22

**Factors used for Skim Solids Basis - Butter times 0.12; Cheese times 9.90; and Nonfat Dry Milk times 11.64

CCC ADJUSTED PURCHASES FOR THE WEEK OF APRIL 21 - 25, 2003 (POUNDS)

REGION	BUTTER			CHEESE			NONFAT DRY MILK	
	BULK	PACKAGED	UNSALTED	BLOCK	BARREL	PROCESS	NONFORTIFIED	FORTIFIED
CENTRAL	-0-	-0-	-0-	-0-	-0-	1,782,000	926,697	-0-
WEST	888,426	-0-	-0-	188,245	165,813	-0-	18,108,839	-0-
EAST	-0-	-0-	-0-	-0-	-0-	-0-	1,983,878	-0-

CCC ADJUSTED PURCHASES SINCE 10/1/02 AND SAME PERIOD LAST YEAR (POUNDS) AND MILK EQUIVALENT AS A PERCENT OF TOTAL

REGION	BUTTER		CHEESE		NONFAT DRY MILK		MILK EQUIVALENT (%)	
	2002/03	2001/02	2002/03	2001/02	2002/03	2001/02	2002/03	2001/02
CENTRAL	-0-	-0-	17,346,800	-0-	14,343,850	12,415,128	32.5	3.6
WEST	7,902,003	-0-	9,291,899	-0-	353,472,488	308,361,512	66.8	90.6
EAST	-0-	-0-	-0-	-0-	17,169,412	19,718,363	0.7	5.8
TOTAL	7,902,003	-0-	26,638,699	-0-	384,985,750	340,495,003	100.0	100.0

SUPPORT PURCHASE PRICES FOR DAIRY PRODUCTS PRODUCED ON OR AFTER NOVEMBER 15, 2002

MANUFACTURING MILK Average Test 3.67% - \$9.90 per cwt.

BUTTER Bulk \$1.0500 per pound; 1# Prints \$1.0850

CHEESE 40 & 60# Blocks \$1.1314 per pound; 500# Barrels \$1.1014; Process American 5# \$1.1889; Process Am. 2# \$1.2289

NONFAT DRY MILK Nonfortified \$.8000 per pound; Fortified \$.8100; Instant \$0.9625

U.S. Dairy & Total Cow Slaughter under Federal Inspection, by Regions, for Week Ending 04/05/03 & Comparable Week 2002

Regions* (000 HEAD)	U.S. TOTAL										% DAIRY OF ALL	
	1	2	3	4	5	6	7	8	9	10	WEEK	SINCE JAN 1
2003-Dairy	0.2	0.8	7.6	4.7	22.3	2.7	0.3	1.0	13.9	3.0	56.4	808.4
2002-Dairy	0.2	0.8	5.5	5.2	18.4	2.3	0.4	1.0	11.2	2.8	47.8	703.9
2003-All cows	0.2	1.0	10.1	13.6	33.1	14.5	14.3	3.3	15.9	5.4	111.4	1,621.9
2002-All cows	0.2	1.0	7.6	12.5	27.3	13.0	14.8	3.5	14.0	5.3	99.2	1,480.3

SOURCE The slaughter data are gathered and tabulated in a cooperative effort by the Agricultural Marketing Service, The Food Safety and Inspection Service, and the National Agricultural Statistics Service, all of USDA.

CLASS III MILK PRICES, (3.5% BF)

YEAR	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
2000	10.05	9.54	9.54	9.41	9.37	9.46	10.66	10.13	10.76	10.02	8.57	9.37
2001	9.99	10.27	11.42	12.06	13.83	15.02	15.46	15.55	15.90	14.60	11.31	11.80
2002	11.87	11.63	10.65	10.85	10.82	10.09	9.33	9.54	9.92	10.72	9.84	9.74

FEDERAL MILK ORDER CLASS PRICES FOR 2003 (3.5% BF)

CLASS	JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
I 1/	10.56	10.23	9.81	9.64	9.71							
II	11.29	10.66	10.54									
III	9.78	9.66	9.11									
IV	10.07	9.81	9.79									

1/ Specific order differentials to be added to this base price are located at www.ams.usda.gov/dyfm03/mib/cls_prod_cmp_pr.htm